

7-1-1979

Maine Manpower, July 1979

Maine Department of Manpower/Affairs

Maine Division of Manpower Research

Maine Labor Market Research

Follow this and additional works at: https://digitalmaine.com/cwri_docs

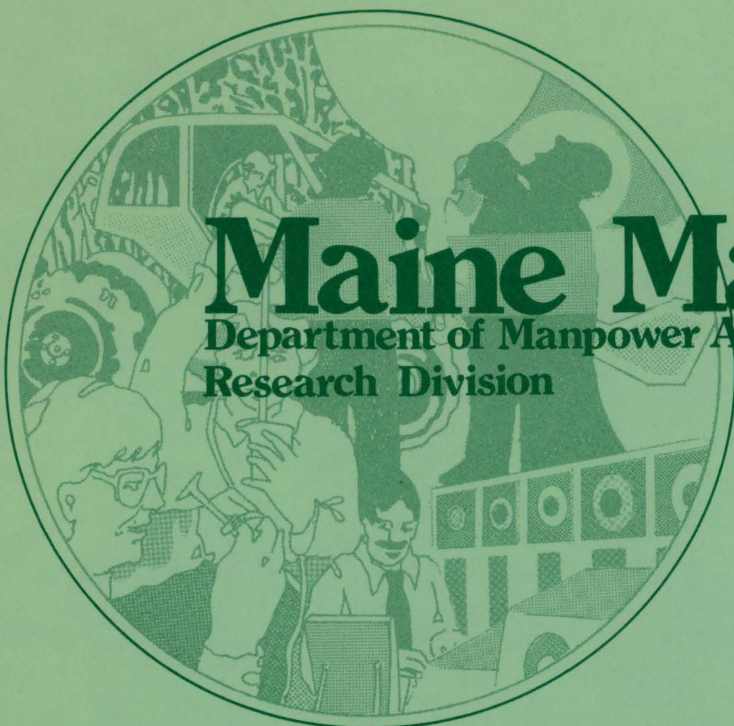
Recommended Citation

Maine Department of Manpower/Affairs, Maine Division of Manpower Research, and Maine Labor Market Research, "Maine Manpower, July 1979" (1979). *Center for Workforce Research and Information Documents*. 723.
https://digitalmaine.com/cwri_docs/723

This Text is brought to you for free and open access by the Labor at Digital Maine. It has been accepted for inclusion in Center for Workforce Research and Information Documents by an authorized administrator of Digital Maine. For more information, please contact statedocs@maine.gov.

E 55/1.28: 7/1979

M
C.I



OCT 03 1979

MAINE STATE LIBRARY



Maine Manpower

Department of Manpower Affairs
Research Division

JULY 1979

JOSEPH E. BRENNAN
Governor

DAVID W. BUSTIN
Commissioner

RAYNOLD A. FONGEMIE
Director

TARGETED JOBS AND WIN TAX CREDITS

TARGETED JOBS TAX CREDIT

The Revenue Act of 1978 (PL 95-600, approved Nov. 6, 1978) established the Targeted Jobs Tax Credit (TJTC) replacing the New Jobs Tax Credit and related Vocational Rehabilitation Tax Credit which expired December 31, 1978, and modifying the Work Incentive Program (WIN) and Welfare Tax Credits which continue in force.

The TJTC is an elective tax credit that applies to wage costs incurred by taxpaying employers between January 1, 1979 and December 31, 1980, for certified employees hired after September 26, 1978. The credit is equal to 50 percent of first-year wages up to \$6,000 and 25 percent of second-year wages up to \$6,000 for each eligible employee in the following groups:

1. Recipients of Supplemental Security Income (SSI) payments;
2. Handicapped individuals referred from vocational rehabilitation;
3. Youth, 18 through 24, in economically disadvantaged families, i.e., with income the preceding 6 months less than 70 percent of the Bureau of Labor Statistics lower living standard;
4. Vietnam-era veterans under 35 who are economically disadvantaged;
5. Recipients of general assistance (state or locally financed welfare) for 30 days or more;
6. Youth, 16 through 18, participating in an approved cooperative education program; and
7. Ex-convicts (convicted of a felony) who are economically disadvantaged and hired within 5 years of release from prison or date of conviction, whichever is later.

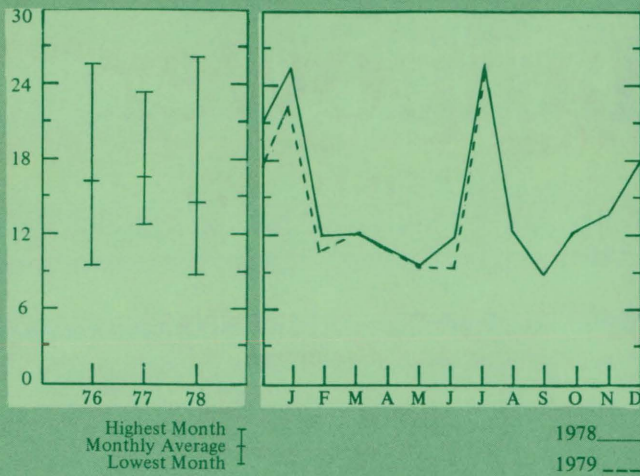
Other major features of the new TJTC are:

1. To prevent targeted employees from displacing nontargeted employees, the Act provides that qualified first-year wages during a taxable year cannot exceed 30 percent of aggregate Federal Unemployment Tax Act (FUTA) wages for all employees during the calendar year ending in that taxable year.
2. The employer's business expense deduction for wages is reduced by the amount of the credit, as under previous employment tax credits.
3. The credit is limited to 90 percent of tax liability after this liability is reduced by other applicable credits, such as those taken under the Investment Tax Credit. An unused portion of the credit may be carried back three years or carried forward seven years.
4. There are special transitional rules for taxpayers using a 1978-79 fiscal year. Such taxpayers can obtain new Form 5884-FY, Jobs Credit, from an Internal Revenue Service (IRS) office.

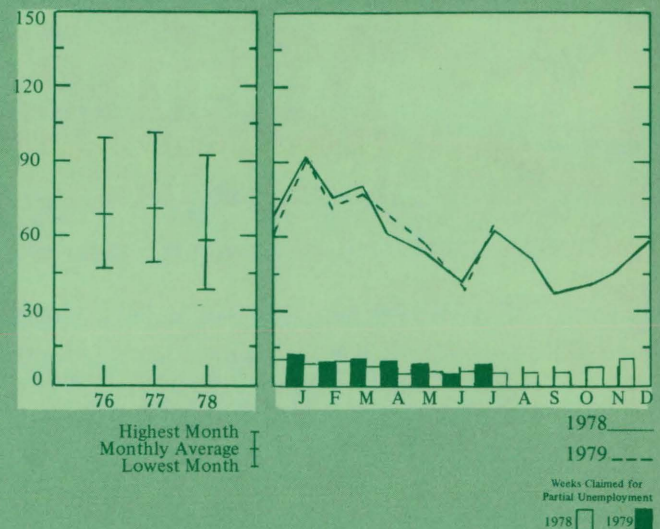
(CONTINUED ON PAGE 6)

The Employment Security programs are affiliated with U. S. Employment and Training Administration

UI Initial Claims in Thousands



UI Intrastate Weeks Claimed in Thousands



Labor Turnover Rates in Maine Manufacturing Industries Per 100 Employees

INDUSTRY TITLE	ACCESSION RATES									SEPARATION RATES								
	Total			New Hires			Recalls			Total			Quits			Layoffs		
	June 1979	May 1979	June 1978	June 1979	May 1979	June 1978	June 1979	May 1979	June 1978	June 1979	May 1979	June 1978	June 1979	May 1979	June 1978	June 1979	May 1979	June 1978
	1979	1979	1978	1979	1979	1978	1979	1979	1978	1979	1979	1978	1979	1979	1978	1979	1979	1978
Manufacturing	7.3	6.8	8.1	5.1	4.9	6.0	1.9	1.6	1.8	5.2	5.1	6.2	3.1	3.3	3.6	1.2	0.8	1.5
Durable Goods	7.1	6.6	7.2	5.2	4.1	5.1	1.5	1.9	1.7	4.2	3.8	4.7	2.7	2.7	2.7	0.5	0.2	1.0
Lumber and Wood Products	11.9	10.9	10.5	7.4	5.4	6.5	3.8	4.6	3.5	6.5	5.5	5.6	4.1	3.9	3.5	1.2	0.5	1.1
Metals and Machinery	5.0	4.4	5.3	4.6	3.7	4.3	0.1	0.1	0.5	3.3	3.5	5.1	2.1	2.6	2.5	0.1	0.0	1.5
Other Durable Goods	3.1	4.1	4.7	2.8	3.0	3.9	0.3	1.0	0.6	2.3	2.3	2.8	1.5	1.4	1.9	0.1	0.1	0.1
Nondurable Goods	7.5	6.9	8.7	5.1	5.3	6.5	2.2	1.4	1.9	5.9	5.7	6.9	3.4	3.6	4.1	1.7	1.1	1.8
Food and Kindred Products	15.3	9.2	15.4	5.9	4.9	8.1	9.4	4.3	7.2	8.3	5.8	13.0	2.8	3.3	4.8	5.1	1.3	7.6
Textile Mill Products	6.9	8.8	8.8	5.9	6.9	7.0	0.7	1.5	1.1	8.0	7.9	7.7	5.7	5.4	5.7	1.0	1.2	0.3
Apparel	6.5	4.4	4.0	3.9	4.2	3.6	2.6	0.2	0.4	6.0	8.5	4.6	3.3	4.1	3.5	2.4	3.7	0.0
Paper and Allied Products	2.9	3.4	3.9	2.4	2.9	3.6	0.3	0.5	0.2	0.8	1.0	1.2	0.4	0.4	0.6	0.0	0.3	0.1
Leather and Leather Products	7.9	9.0	9.9	6.7	7.5	7.9	0.8	1.0	1.6	7.9	7.6	9.3	5.3	5.5	6.1	1.3	0.7	1.8
Other Nondurable Goods	7.4	6.0	9.4	5.5	4.6	7.9	1.8	1.3	1.1	6.1	6.7	5.9	3.4	3.4	4.0	2.0	2.3	0.6

Female Labor Force in Maine in Thousands

ITEM	This Month 1/	Last Month 1/	Year Ago 2/
Labor Force	206.2	202.9	203.4
Unemployed	24.0	16.6	19.3
(Percent)	11.6	8.2	9.5
Resident Employed	182.2	186.3	184.1
Involved in Labor-Management Disputes . .	0.0	0.1	0.2

1/Preliminary estimates 2/Revised



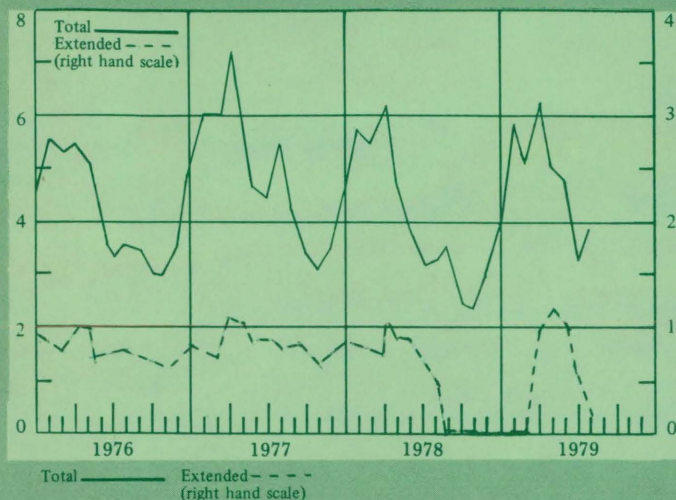
Selected Employment Security Activities



UI Benefit Payments

in Million Dollars

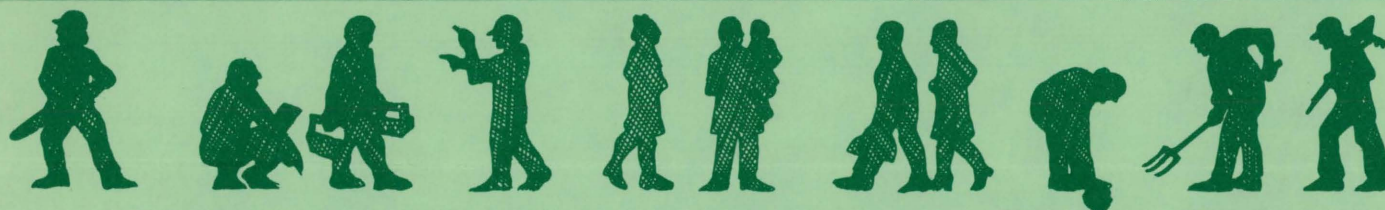
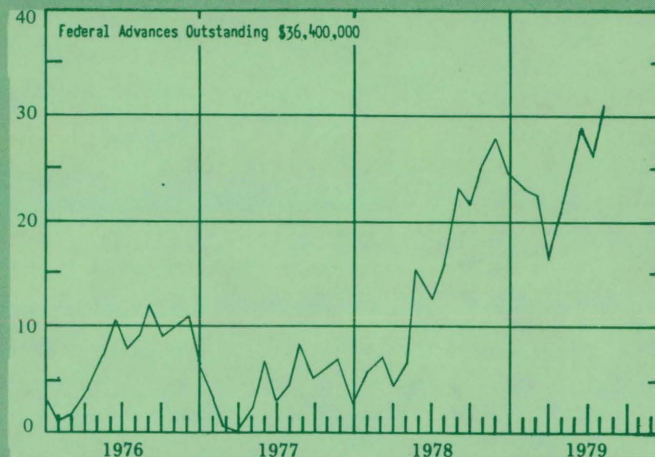
(Total Includes Maine's Portion of Extended Benefits)



Unemployment Compensation

Fund Balance in Millions

(End of Month)



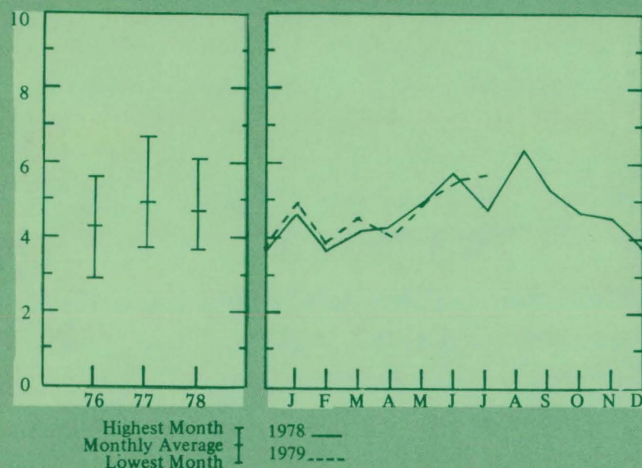
Nonfarm Wage and Salary Employment by Place of Work

in Thousands

ITEM	STATEWIDE			PORTLAND SMSA			LEWISTON-AUBURN SMSA		
	This Month	Last Month	Year Ago	This Month	Last Month	Year Ago	This Month	Last Month	Year Ago
Total Nonfarm Wage and Salary ^{1/}	415.7	417.9	418.4	88.7	88.8	89.4	33.4	35.5	33.0
Total Manufacturing	109.2	116.0	107.1	17.2	17.7	16.1	10.7	12.5	11.0
Durable Goods	41.4	41.6	38.6	8.1	8.0	7.2	2.3	2.3	2.1
Lumber and Wood Products ^{2/}	15.1	15.1	15.3	0.5	0.4	0.4	*	0.1	*
Metals and Machinery	15.8	15.8	13.6	6.4	6.4	5.6	1.7	1.8	1.5
Other Durable Goods ^{3/}	10.5	10.7	9.7	1.2	1.2	1.2	0.6	0.4	0.6
Nondurable Goods	67.8	74.4	68.5	9.1	9.7	8.9	8.4	10.2	8.9
Food and Kindred Products	10.4	10.9	10.3	2.4	2.2	2.4	1.4	1.4	1.4
Textile Mill Products	8.1	8.9	8.2	n/a	n/a	n/a	1.6	2.1	1.6
Apparel	4.2	4.5	3.9	n/a	n/a	n/a	n/a	n/a	n/a
Paper and Allied Products	18.9	18.1	16.5	n/a	n/a	n/a	0.6	0.7	0.6
Leather and Leather Products	17.0	22.3	19.6	2.2	3.0	2.1	2.7	3.6	3.3
Footwear (except Rubber)	(13.9)	(18.9)	(16.3)	n/a	n/a	n/a	(2.4)	(3.2)	(3.0)
All Other	(3.1)	(3.4)	(3.3)	n/a	n/a	n/a	(0.3)	(0.4)	(0.3)
Other Nondurable Goods ^{4/}	9.2	9.7	10.0	4.5	4.5	4.4	2.1	2.4	2.0
Total Nonmanufacturing	306.5	301.9	311.3	71.5	71.1	73.3	22.7	23.0	22.0
Contract Construction	20.5	19.8	22.4	4.3	4.3	4.5	1.4	1.4	1.4
Transportation and Public Utilities	19.3	19.1	18.6	5.5	5.3	5.4	1.1	1.1	1.1
Wholesale and Retail Trade	94.8	93.4	95.9	23.1	23.0	24.9	8.1	8.3	7.8
Finance, Insurance, Real Estate	16.5	16.3	16.2	7.2	7.1	6.9	1.6	1.5	1.5
Service and Other Nonmanufacturing	78.7	72.9	78.6	19.3	19.0	18.9	7.2	7.2	6.7
Government	76.7	80.4	79.6	12.1	12.4	12.7	3.3	3.5	3.5
Federal	(17.8)	(17.7)	(17.8)	(1.4)	(1.4)	(1.4)	(0.3)	(0.3)	(0.3)
State and Local ^{5/}	(58.9)	(62.7)	(61.8)	(10.7)	(11.0)	(11.3)	(3.0)	(3.2)	(3.2)
Involved in Labor-Management Disputes	0.1	1.0	2.5	0.0	0.0	0.0	0.0	0.0	0.0

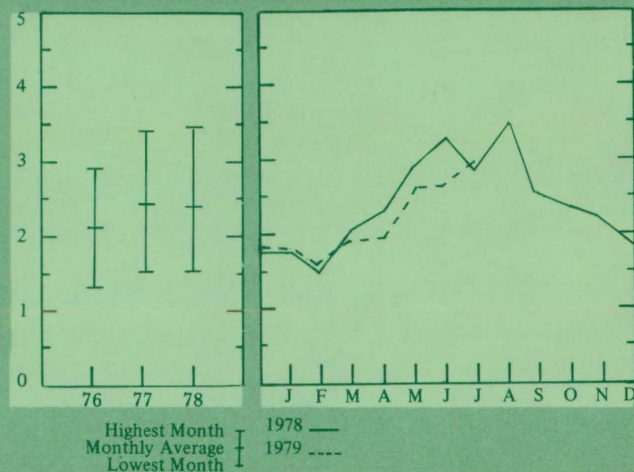
^{1/} Employment figures relate to full- and part-time wage and salary workers in pay periods including the 12th of the month. Domestic workers in private households, proprietors, self-employed, and unpaid family workers are excluded. ^{2/} Lumber and wood products, and furniture and fixtures are combined in the Portland series. ^{3/} Includes Standard Industrial Classification (SIC) codes: Statewide - 25, 32, 37, 38; Portland - 32, 37, 38; Lewiston - 25, 32, 37. ^{4/} Includes SIC codes: Statewide - 27, 28, 29, 30, 39; Portland - 22, 23, 26, 27, 28, 29, 30, 39; Lewiston - 23, 27, 28, 29, 30, 39. ^{5/} Regular teachers are included in summer months whether or not specifically paid in those months. n/a - data not available in sufficient detail for publication. *Less than 50.

New Applications For Work in Thousands



Nonfarm Placements

in Thousands
(Excludes Placements of Less than Three Days Duration)



Earnings and Workweek of Production Workers in Manufacturing Industries

AREA AND INDUSTRY	AVERAGE WEEKLY EARNINGS			AVERAGE WEEKLY HOURS			AVERAGE HOURLY EARNINGS			ANNUAL AVERAGE HOURLY EARNINGS		
	This Month	Last Month	Year Ago	This Month	Last Month	Year Ago	This Month	Last Month	Year Ago	1978	1977	1976
STATEWIDE												
Manufacturing	\$219.89	\$210.27	\$198.28	40.2	39.9	40.3	\$5.47	\$5.27	\$4.92	\$4.91	\$4.52	\$4.16
Durable Goods	229.07	222.49	214.24	40.4	40.6	41.2	5.67	5.48	5.20	5.13	4.77	4.38
Lumber and Wood Products ..	225.60	217.21	208.87	40.0	40.6	40.4	5.64	5.35	5.17	5.02	4.60	4.24
Metals and Machinery	211.29	211.58	199.43	40.4	40.3	40.7	5.23	5.25	4.90	4.92	4.64	4.28
Other Durable Goods	261.58	247.01	246.95	41.0	41.1	43.4	6.38	6.01	5.69	5.63	5.29	4.70
Nondurable Goods	214.00	203.94	189.45	40.0	39.6	39.8	5.35	5.15	4.76	4.79	4.39	4.05
Food and Kindred Products ...	177.87	165.65	149.82	38.5	35.7	34.6	4.62	4.64	4.33	4.25	3.92	3.64
Textile Mill Products	181.15	179.11	166.85	40.8	40.8	41.3	4.44	4.39	4.04	4.03	3.74	3.46
Apparel	146.11	146.52	140.61	35.9	36.0	37.1	4.07	4.07	3.79	3.83	3.53	3.28
Paper and Allied Products	335.96	329.41	308.82	45.4	46.2	46.3	7.40	7.13	6.67	6.71	6.13	5.52
Leather and Leather Products .	150.28	153.77	145.15	36.3	36.7	37.7	4.14	4.19	3.85	3.88	3.56	3.30
Other Nondurable Goods	186.72	185.55	165.02	38.9	38.9	38.2	4.80	4.77	4.32	4.25	3.94	3.68
PORTLAND SMSA												
Manufacturing	204.09	207.24	199.00	38.8	39.4	39.8	5.26	5.26	5.00	4.94	4.60	4.34
LEWISTON-AUBURN SMSA												
Manufacturing	177.93	177.63	162.93	38.1	38.7	38.7	4.67	4.59	4.21	4.18	3.85	3.56

U.S. Consumer Price Index

BASE PERIOD	This Month	Last Month	Year Ago	Last Dec.
(1967=100) All Items	218.9	216.6	196.7	202.9

Percent Change for Past Month	+ 1.1
Percent Change from Last December	+ 7.9
Percent Change from 12 Months Ago	+11.3

Labor Force, Employment and Unemployment in Thousands

AREA <u>1/</u>	LABOR FORCE <u>2/</u>			RESIDENT EMPLOYED			UNEMPLOYMENT Number			UNEMPLOYMENT Percent of Labor Force		
	This Month	Last Month	Year Ago	This Month	Last Month	Year Ago	This Month	Last Month	Year Ago	This Month	Last Month	Year Ago
MAINE- Statewide	504.4	494.6	499.3	461.0	461.1	463.8	43.4	33.5	35.5	8.6	6.8	7.1
MAJOR LABOR MARKETS												
Bangor-Brewer LMA	39,500	39,700	38,300	36,500	37,100	35,500	3,000	2,600	2,800	7.6	6.5	7.3
Biddeford-Sanford LMA	29,700	29,500	29,200	27,200	27,600	27,200	2,500	1,900	2,000	8.4	6.4	6.8
Lewiston-Auburn SMSA	37,800	37,800	36,800	33,000	35,300	33,300	4,800	2,500	3,500	12.7	6.6	9.5
Portland SMSA	84,800	85,500	86,400	79,700	80,600	81,700	5,100	4,900	4,700	6.0	5.7	5.4
OTHER LABOR MARKETS												
Augusta	28,470	27,510	28,420	25,910	25,790	26,380	2,560	1,720	2,040	9.0	6.3	7.2
Bath-Brunswick	21,460	21,190	20,150	19,970	20,070	18,860	1,490	1,120	1,290	6.9	5.3	6.4
Belfast	13,010	12,440	12,400	11,350	11,180	11,110	1,660	1,260	1,290	12.8	10.1	10.4
Boothbay Harbor-Wiscasset	8,590	7,640	8,380	7,950	7,050	7,850	640	590	530	7.5	7.7	6.3
Calais-Eastport	15,280	15,410	15,040	14,040	13,860	14,100	1,240	1,550	940	8.1	10.1	6.3
Caribou-Presque Isle	21,760	20,890	22,780	17,920	18,510	19,400	3,840	2,380	3,380	17.6	11.4	14.8
Central Penobscot	3,400	3,460	3,780	3,230	3,270	3,590	170	190	190	5.0	5.5	5.0
Dover-Foxcroft	6,600	6,690	6,510	6,340	6,410	6,190	260	280	320	3.9	4.2	4.9
Ellsworth	20,990	19,260	20,880	19,860	18,050	19,870	1,130	1,210	1,010	5.4	6.3	4.8
Farmington	12,320	13,310	14,970	10,790	12,330	13,700	1,530	980	1,270	12.4	7.4	8.5
Fort Kent-Allagash	4,450	4,960	4,210	3,930	4,320	3,860	520	640	350	11.7	12.9	8.3
Greenville	930	920	940	840	810	860	90	110	80	9.7	12.0	8.5
Houlton	4,930	4,970	4,740	4,520	4,520	4,420	410	450	320	8.3	9.1	6.8
Lincoln-Howland	5,390	5,430	5,230	5,020	5,060	4,920	370	370	310	6.9	6.8	5.9
Livermore Falls	5,570	5,180	5,440	4,540	4,690	4,720	1,030	490	720	18.5	9.5	13.2
Madawaska-Van Buren	4,880	5,080	4,660	4,240	4,560	4,280	640	520	380	13.1	10.2	8.2
Mechanic Falls	3,640	2,910	3,240	3,260	2,740	3,000	380	170	240	10.4	5.8	7.4
Millinocket-East Millinocket	4,880	5,020	5,270	4,680	4,820	4,930	200	200	340	4.1	4.0	6.5
Patten-Island Falls	3,020	3,010	2,980	2,830	2,800	2,830	190	210	150	6.3	7.0	5.0
Rockland	17,660	17,110	17,480	16,510	16,100	16,730	1,150	1,010	750	6.5	5.9	4.3
Rumford	19,980	18,620	19,600	17,750	17,320	17,690	2,230	1,300	1,910	11.2	7.0	9.7
Sebago Lake Region	12,930	11,220	12,660	12,140	10,500	12,090	790	720	570	6.1	6.4	4.5
Skowhegan	19,720	20,030	19,000	17,430	18,380	17,110	2,290	1,650	1,890	11.6	8.2	9.9
Kittery-York	24,130	21,460	21,930	23,420	20,890	21,440	710	570	490	2.9	2.7	2.2
Southwest Penobscot	7,100	6,910	6,960	5,970	6,160	6,070	1,130	750	890	15.9	10.9	12.8
Waterville	21,600	21,620	21,100	20,210	20,350	20,060	1,390	1,270	1,040	6.4	5.9	4.9
OTHER NEW ENGLAND STATES												
Connecticut	n/a	1,622.3	1,537.9	n/a	1,537.1	1,456.3	n/a	85.2	81.6	n/a	5.3	5.3
Massachusetts	2,948.0	2,947.0	2,927.1	2,802.0	2,797.0	2,741.3	146.0	150.0	185.8	5.0	5.1	6.3
New Hampshire	n/a	457.1	441.0	n/a	441.0	423.7	n/a	16.1	17.3	n/a	3.5	3.9
Rhode Island	n/a	454.7	436.8	n/a	422.3	405.8	n/a	32.4	31.0	n/a	7.1	7.1
Vermont	n/a	241.9	240.7	n/a	229.8	226.7	n/a	12.1	14.0	n/a	5.0	5.8
NEW ENGLAND STATES.	n/a	5,723.0	5,583.5	n/a	5,427.2	5,253.7	n/a	295.8	329.8	n/a	5.2	5.9
UNITED STATES 3/	104,995	104,152	102,639	98,891	97,917	96,201	6,104	6,235	6,438	5.8	6.0	6.3

Area Definitions

LMA - Labor Market Area
SMSA - Standard Metropolitan Statistical Area

Footnotes

1/ Labor force, employment, and unemployment data for all areas not seasonally adjusted. Estimates made independently for each labor market area have been benchmarked to and extrapolated from the Current Population Survey estimates for the state. All data adjusted to a place of residence basis. Excludes members of the Armed Forces.

2/ Current and last month figures preliminary; year ago figures revised.

3/ National estimates based on a sample of household visits; state estimates based on enlargements of employment figures reported.

Note

n/a indicates that the information was not available at the time of printing.
Employment and unemployment may not add to labor force due to rounding.

Mid-Month Insured Unemployment (Less Partial)

ITEM	STATEWIDE			PORTLAND SMSA			LEWISTON-AUBURN SMSA		
	This Month	Last Month	Year Ago	This Month	Last Month	Year Ago	This Month	Last Month	Year Ago
Number of Continued-Week Claimants	15,035	8,407	14,605	1,348	1,182	1,512	2,459	699	1,852
Insured Unemployment Rate *.	3.8	2.1	3.6	1.8	1.6	2.0	7.3	2.1	5.7

* Should not be confused with insured unemployment rates as defined in the Employment Security Law.

5. No credit may be claimed for wages of employees for whom employers receive federally funded on-the-job training payments, or claim the WIN or Welfare Tax Credit during that taxable year.

REVISIONS IN THE WIN AND WELFARE TAX CREDITS

A tax credit is available to employers hiring WIN registrants and welfare recipients. The WIN Tax Credit is available to employers in a trade or business who hire WIN registrants in a new job or vacancy and retain them at least 30 days. For the Welfare Tax Credit the employee has to have received Aid to Families with Dependent Children (AFDC) for 90 days prior to hire and need not be a WIN registrant. Other eligibility requirements are the same as for the WIN credit.

EFFECT OF THE TAX CREDIT ON TAXES

The effect of the credit depends on the employer's income tax bracket and the wage paid to the new employee. The maximum tax credit is \$3,000 for all workers paid \$6,000 or more per year. But because the amount of the credit must be subtracted from the employer's business expense deduction for wages, the credit causes an actual reduction in taxes that ranges from \$900 for an employer in the 70 percent bracket to \$2,580 for an employer in the 14 percent tax bracket, for each eligible employee who earns \$6,000 in the first year of employment.

HOW TO CLAIM A TAX CREDIT

To claim a tax credit, employers attach the IRS Form 5884 to their tax returns. To substantiate the claim, employers must obtain a certificate saying that the employee whose wages are the basis of the credit is a member of an eligible group.

For the TJTC, the employer, employee, or prospective employee contacts the nearest Maine Job Service Office (see list below) to get the name of a local agency that can issue a TJTC Voucher. The agency signs the voucher to confirm that the employee is a member of a target group, the employee signs to vouch for the truth of information given the agency, and the employer signs to confirm that the employee has been or will be hired. The employer sends the voucher to: Maine Department of Manpower Affairs, Job Service Division, 20 Union Street, Augusta, Maine 04330 - Attn: TJTC UNIT. A "Targeted Jobs Tax Credit Certificate" will be returned within 72 hours of receipt of the voucher.

For the WIN and Welfare Tax Credits, local WIN (see list below) and welfare offices certify employer and employee eligibility.

For Further Information: Contact Mr. Hilton Drake, Maine Department of Manpower Affairs, 20 Union Street, Augusta, Maine 04330. Telephone (207) 289-3901.

The Maine Department of Manpower Affairs, Job Service Division has Maine Job Service offices in the following locations:

Augusta	Biddeford	Dover-Foxcroft	Houlton	Madawaska	Rockland	Skowhegan
Bangor	Brunswick	Ellsworth	Lewiston	Portland	Rumford	South Paris
Belfast	Calais	Farmington	Machias	Presque Isle	Sanford	Waterville

The Maine Department of Manpower Affairs, Job Service Division has WIN offices in the following locations:

Augusta	Bangor	Lewiston	Portland	Presque Isle	Rockland	Saco
---------	--------	----------	----------	--------------	----------	------

•6•

Maine Manpower

Maine Department of Manpower Affairs

20 UNION STREET

AUGUSTA, MAINE 04330



POSTAGE AND FEES PAID
EMPLOYMENT SECURITY MAIL
Lab 449



Manpower
Research



"For Qualified Workers Contact Your Local Employment Security Job Service Office"